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Foreign Crops and MARKETS

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INDIAN JUTE ACREAGE INCREASES

The preliminary forecast of jute acreage in India places the licensed area at 2,923,000 acres, compared with a final estimate for 1943 of 2,602,000. Jute planting begins about the middle of February and may continue until the end of June. The final forecast is not released until the third week in September.

Unofficial estimates of this year's crop are from 2,320 to 2,520 million pounds, or somewhat less than the 2,780 million pounds reported last year. Jute acreage in 1940 reached a peak of 5,669,000 acres. Large acreages prior to that year had caused the Bengal Government to consider control measures, but a general reduction program was not begun until 1941.

The program resulted in an average during the first 3 years of restriction of 2,698,000 acres, with an average annual production of 2,865 million pounds. Average yield per acre was 1,068 pounds in 1943, compared with 1,088 in 1942, 1,012 in 1941, and an average of 1,111 pounds during the 5 years ended with 1940. The Bengal Government began the restriction program when shipping space was limited because of war conditions. At the same time a campaign was begun to grow more food. Adjacent jute-producing States are cooperating with Bengal.

ISSUED BY THE OFFICE OF FOREIGN AGRICULTURAL RELATIONS
UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D.C.

WORLD WHEAT STOCKS DECLINE

Estimated wheat stocks in the four principal exporting countries on July 1, 1944, showed a sharp decline from the record supplies on that date a year ago, according to information available in the Office of Foreign Agricultural Relations. Total stocks were placed at 1,170 million bushels, compared with 1,748 million a year ago and an average of only 457 million during the 5 pre-war years, 1935-1939. The decline in stocks, placed at around 575 million bushels or nearly one-third, from a year ago is the greatest single-year change in carry-over supplies on record. It results in part from the smaller 1943 wheat harvest in the four countries and in part from the extraordinary demand for wheat for nonfood purposes.

WHEAT: Estimated stocks in principal exporting countries, July 1, 1944, with comparisons a/

YEAR	UNITED STATES	CANADA	ARGENTINA	AUSTRALIA	TOTAL
	Million bushels	*Million bushels*	*Million bushels*	*Million bushels*	*Million bushels*
Average 1935-1939	155	121	121	60	457
1940	280	320	102	135	837
1941	385	511	201	75	1,172
1942	632	446	238	141	1,457
1943	b/ 620	626	307	195	1,748
1944 c/	350	375	285	160	1,170

a/ Stocks adjusted to a July 1 basis from official data at the beginning of the crop year for each country, i.e. year beginning August 1 for Canada, January 1 for Argentina, and December 1 for Australia.

b/ Total adjusted to include an upward revision of 4 million bushels in farm stocks, but is subject to further revision when the new estimate for total stocks is released later in July.

c/ Preliminary estimates.

Virtually all of the decline in stocks occurred in North America and was about equally divided between the United States and Canada. In the United States alone the apparent disappearance of wheat during the 1943-44 season exceeded production by an amount in excess of 400 million bushels, which not only reduced United States stocks but also drew heavily upon those in Canada. Domestic disappearance in Canada has likewise increased and is expected to reach the record figure of 191 million bushels during the 1943-44 season, largely as the result of increased use for feeding. In addition, exports have been unusually large, due principally to the feed demand in the United States. Some reduction has taken place in Argentine stocks, but they are still near the record level of July 1, 1943. Some decrease from last year is also indicated for Australia as a result of the small 1943 harvest.

Of the total carry-over stocks on July 1, it is estimated that approximately 700 million bushels may be considered surplus available for export, for additional domestic requirements in the individual countries if needed, or for carry-over at the end of the year. Supplementing the old-crop surplus, it now appears that 1944 harvests in North America will provide an additional surplus of 400-450 bushels, while the Southern Hemisphere countries of Argentina and Australia should add another 100-150 million bushels, if around average yields are obtained. Unless abnormally large shipments are required by Europe during the coming 1944-45 season, the surplus in prospect from the four exporting countries should go far toward meeting import requirements. In turn, total carry-over stocks and the indicated surplus position would not be greatly changed on July 1, 1945, as compared with supplies on that date this year.

Gordon P. Boals

ARGENTINE DAIRY OUTPUT REACHING RECORD LEVELS

The Argentine output of principal dairy products will reach record levels during the season ending August 31, this year. This high production is largely a continuation of the upward trend begun about 1939, which was temporarily interrupted in the 1942-43 season by a serious drought. Excellent pastures during the recent summer season, December through March, contributed to the record level of production.

The upward trend in production of dairy products in Argentina, which began about 1939, is attributed in part to the influence of low grain prices. Production was also stimulated in 1940 and 1941 by subsidies paid by the Government on butter for export. Current prices paid for butterfat by the British Ministry of Food are about the same as those prevailing under the subsidies and are considered by the creameries and producers as favorable. While the prices paid by the British are not as high as local market prices during the winter months, they do tend to prevent the sharp declines that usually occur during the summer months. Prices stabilized at a moderately high level undoubtedly have a stimulating effect on production.

Butter production during the first 9 months of 1943-44, September to May inclusive, was 94,754,000 pounds. This is 28.9 percent above that for the corresponding period a year earlier when a serious drought occurred, and 11.7 percent above that in 1941-42. The total production for the current season is likely to be 112,435,000 pounds and will be a record output for Argentina. Comparisons with previous years are in the table on the following page.

Cheese production at 125,916,000 pounds during September - May of the current season is 32.6 percent above that for the same period a year earlier but only slightly above the 9-month figure for the 1941-42 season. A 12-month production of 145,504,000 pounds is indicated for all types of cheese during the current season. Because statistics of current cheese production are not broken down by types, the one figure for total cheese output may not be very exact in reflecting trends in the utilization of milk for cheese making. Present prices of varieties of semi-hard cheese may stimulate the production of these types. Cheese and dried skim milk, and in particular Sbrinz cheese, were adversely affected by changes in exchange rates announced by the Argentine Government on January 25, 1944. These products were among those which had previously received preferred exchange treatment.

An increase in casein production in Argentina has followed closely that of butter production, since other uses of skim milk are not large. Production of casein at 56,376,000 pounds during the first 9 months of the current season is 22.0 percent above that for the like period a year ago and 8.8 percent above that in 1941-42. Casein production for the entire year, September - August, will probably be about 66,138,000 pounds. The prevailing price of 9-1/2 cents per pound f.o.b. in Buenos Aires is equivalent to about 700 pesos per metric ton. After considering milling costs and other expenses and charges, the price paid to skimming stations is about 575 pesos per metric ton, or 82 percent of the export price.

Exports of butter from September to May inclusive reached 47,273,000 pounds and was much above the 17,449,000 pounds exported in the same period a year earlier and 60 percent more than in the corresponding period of the 1941-42 season. Estimated exports of 50,706,000 pounds for the whole season will be the largest exports of butter since 1932. With few exceptions, annual exports from 1921 to 1932 were at this level or higher, reaching a peak of 65,437,000 pounds in the calendar year 1924.

The fact that production is at a record level while exports are below previous high levels, is explainable by the fact that the use of butter locally is much more general now than it was 10 or 20 years ago. The Latin custom of not using butter on bread or rolls is gradually being modified. The practical absence of farm-made butter in Argentina, however, greatly restricts its use on farms and in country villages. Use of butter is confined mainly to large cities.

Exports of butter to England comprise 59 percent of the total for the first 8 months, September - April, of the current production year. Most of the balance has gone to South and Central American countries.

Cheese exports for the first 9 months of the current season of 26,967,000 pounds are 50 percent more than for the same period last year and double those of the 1941-42 season. A record quantity of 30,864,000 pounds is indicated for the entire season. For the 8 months through April, exports to the United States comprised 65 percent of total cheese exports, with England taking 17 percent.

Due to lack of shipping facilities, exports of casein were small in 1942-43 and stocks were at a high level last September. With these large stocks on hand and production greatly increased during the current season, exports mounted to 56,334,000 pounds during the first 9 months and in consequence stocks were reduced. These exports were nearly five times the quantity exported in the same period a year earlier and were about 25 percent more than in the 1941-42 season. Through April, 56 percent of the current exports went to the United States and 24 percent to England.

Based on a report from the American Embassy, Buenos Aires

ARGENTINA: Production and exports of dairy products, September - August, 1939-40 to 1943-44

PRODUCT	PRODUCTION					EXPORTS				
	1939-40	1940-41	1941-42	1942-43	1943-44 a/	1939-40	1940-41	1941-42	1942-43	1943-44 a/
	1,000 pounds	*1,000 pounds*	*1,000 pounds*	*1,000 pounds*	*1,000 pounds*	*1,000 pounds*	*1,000 pounds*	*1,000 pounds*	*1,000 pounds*	*1,000 pounds*
Butter	79,593	90,159	96,015	94,288	112,435	28,770	34,013	31,962	23,137	50,706
Cheese	115,071	128,859	144,888	126,216	145,504	7,562	26,404	17,037	23,622	30,864
Casein	46,955	53,373	59,145	58,783	66,138	50,715	63,638	50,580	34,597	72,752
Milk powder	b/	b/	3,737	8,377	9,259	b/	b/	762	2,346	3,373
Canned milk	b/	b/	6,576	11,299	9,321	b/	b/	3,214	2,609	3,086

Compiled from official sources.

a/ Estimates based on figures for first 9 months. b/ Not available.

LATE COMMODITY DEVELOPMENTS

GRAINS AND GRAIN PRODUCTS

ARGENTINA CANCELS MILLING RESTRICTIONS

The Argentine Government, in early June, authorized unrestricted deliveries of wheat of either the 1942-43 or 1943-44 crop for milling. The decree removes the former stipulation that millings may contain a maximum of 70 percent of wheat from the 1943-44 crop. Relaxation of that ruling is said to be possible because stocks of the 1942-43 crop are reduced to about 1.8 metric tons (66 million bushels) and the marketing of this wheat is not expected to create any problem. The location of these stocks has caused some difficulty in transportation to mills, which will be relieved through the recent order. A further motive for the move was reported to be a desire to improve the quality of the flour.

AUSTRALIAN GOALS CALL FOR GRAIN INCREASE

Australian goals for 1944-45 call for seeding of 9 million acres of wheat, or a slight increase over the 8.3 million acres seeded for the 1943-44 crop. The apportionment of the goal among the States was as follows, in million acres: New South Wales 3.4, Victoria 2.0, Queensland 0.5, South Australia 1.6, and Western Australia 1.5.

The planned distribution provides for virtually all of the expansion to take place in New South Wales. Seedings in Western Australia will continue to be compulsorily restricted. Latest trade reports indicate that the wheat acreage sown is not expected to reach the goal.

The goal aims at a barley production of around 11.4 million bushels compared with 8 million bushels produced in 1943-44. Plans called for a 50-percent increase in each of the principal producing States, Victoria and South Australia, and no change in other States.

INDIA REVISES WHEAT ESTIMATE

The 1944 wheat crop in India was 367.8 million bushels, or 19 million bushels less than the previous forecast, according to the July official estimate. At the reduced figure the crop would still be above average though considerably smaller than the record crop of 1943, which is now placed at 408.2 million bushels.

CANADA LIFTS EMBARGO ON MALTING BARLEY

The Canadian Wheat Board has lifted its restriction against the issuance of export permits on malting barley for shipment to the United States. The granting of permits for export of this grade of barley was suspended in April except for direct rail movement. The limiting of exports was said to have been put into effect, partly from transport considerations and partly in order to safeguard barley supplies in Canada until new-crop prospects were better known. Both transport and new-crop conditions have improved in recent weeks and exporting may now be resumed. Shipment of all grades of barley from the beginning of the crop year (August 1) through June was placed at about 28 million bushels.

ECUADORAN RICE EXPORTS CONTINUE

Rice exports from Ecuador during the first quarter of 1944 were well above those of the same period a year ago, with rice shipped entirely from the surplus carried over from last year's crop. The exportation of the 144 million pounds that was authorized by the Government for shipment during June-May 1943-44, is completed, and it is expected that the new government may authorize the shipment of the remainder of last year's surplus.

ECUADOR: Rice exports by country, January-April, 1944, with comparisons

COUNTRY	JANUARY-APRIL 1944	JANUARY-APRIL 1943	1943
	Million pounds	*Million pounds*	*Million pounds*
Cuba	31	13	81
Peru	19	8	23
Venezuela	2	0	0
Others	1	0	2
Total	53	21	106

Compiled from official statistics.

Reduced acreage and low rainfall caused a decline in the 1944 rice crop, which is now being harvested. Although the exportable surplus from this crop will not equal that of last year, a considerable amount will be available for shipment.

RAINFALL BENEFITS CUBAN RICE CROP

Rainfall in June enabled Cuban farmers to seed a large acreage to rice about the middle of the month. A severe drought previously had delayed planting. If weather continues favorable, the 1944 crop may approach last year's record production, estimated at 2.2 million bushels.

VEGETABLE OILS AND OILSEEDS

SWITZERLAND EXPANDS OILSEED ACREAGE

A decrease in imports of edible oils since the outbreak of war in Europe has made it necessary for Switzerland to cultivate oleaginous crops. The forecast for 1944 is 15,000 acres compared with 7,000 last year. In 1934, less than 20 acres were planted.

The Government has temporarily changed its policy regarding the distribution and

consumption of edible oils and fats. In January 1944, the butter ration was 500 grams, and each person was allowed only 100 grams of vegetable oils. A 25-percent decline in milk production, however, made it necessary to reduce the butter ration to 250 grams and increase vegetable oils to 300.

Timely intervention and control by the Government have prevented prices from rising as rapidly as during the last war. Late in 1918, coconut oil sold for 64 cents per pound and other edible oils 53 cents, compared with 38 and 40 cents, respectively, in April 1944.

CUBAN STOCKS OF VEGETABLE OILS DIMINISHING

Stocks of edible vegetable oils in Cuba are believed to have declined from 10.5 million pounds on May 1 to about 7 million on July 1. Imports in June, mostly soybean oil, were equal to only 25 percent of consumption requirements. No supplies of local peanuts are available for crushing during June, July, and August. Stocks of edible vegetable oils are not expected to be seriously depleted before the beginning of the next peanut harvest in September, as consumption averages about 2 million pounds monthly and arrivals of small quantities of imported oils are anticipated in July and August.

Lard stocks are reported to have increased from 17.7 million pounds on May 1, to around 20 million on July 1, due to heavy imports in June. Wholesale and retail prices of lard averaged 20 and 24 United States cents, respectively, per pound in June compared with the ceiling prices of 22 and 25 cents.

Arrivals of stearic acid and industrial tallow were relatively heavy in June, thus further relieving the shortage of raw materials needed for manufacture of soap, candles, and similar items.

INTEREST IN SESAME CULTIVATION REVIVED IN NICARAGUA

The 1944 sesame acreage in Nicaragua is now expected to equal or exceed the record plantings of 19,000 acres made in 1942 and 1943. Earlier reports indicated that acreage would be sharply reduced this year because of poor yields in 1943, high cost of production, and lack of a guaranteed market (see May Summary of Foreign Crops and Markets).

The renewed interest in sesame, and to some extent in peanuts, is attributed to an agreement concluded late in May under which Nicaragua's entire exportable surplus of sesame and peanuts will be purchased by the United States Commercial Company (a Government agency). Optimism was heightened when a long drought was broken by heavy rains that totaled 22 inches during the 6 weeks ended June 30. Planting is usually begun in June.

Production loans for the 1944 crops, made by the National Bank of Nicaragua prior to May 31, 1944, covered 8,454 acres of sesame, 4,338 acres of cotton, and 115 acres of peanuts, as well as other commodities. Cotton acreage is limited by agreement to 5,160 acres, and no effort was ever made to grow peanuts on a commercial scale until 1943, when 100 acres were planted. Some increase is expected this year. Exports of sesame seed from last year's crop amounted to 7,233,000 pounds during January-May of 1944 and represented about 95 percent of the 1943 crop.

COTTON AND OTHER FIBERS

EGYPT'S 1943 COTTON CROP SMALL BUT OF GOOD QUALITY

Confirming earlier forecasts, the final official estimate of the 1943-44 Egyptian cotton crop indicates a harvest of 724,100 bales (of 478 pounds) - one of the smallest crops on record. This is a 16-percent reduction from last year's crop of approximately 861,000 bales, and is a decrease of about 60 percent from the 10-year average, previous to this year, of 1,730,500 bales.

Several factors are regarded as causing the decline in production, but the most outstanding are the effort of the Egyptian Government to readjust agricultural production, with a heightened emphasis on food

production; an effort to decrease a further accumulation of surplus commodities; and a shift in planting to lower-yielding extra-long-staple varieties. About three-fourths of the present crop will staple longer than 1-3/8 inches, which is the highest proportion of the long-staple cotton ever harvested.

EL SALVADOR PRODUCES RECORD COTTON CROP

The 1943-44 cotton crop in El Salvador is estimated at the equivalent of 19,300 bales of 478 pounds each, the largest ever produced in this country. About 32,500 acres were cultivated to cotton, compared with 27,400 in the past year and 8,700 in 1941-42. Less than 1,000 bales were picked each year prior to 1934, and during the next 6 years production exceeded 5,000 bales only twice. The 1940-41 crop of more than 12,000 bales was about double that of the preceding year. After production of only 4,000 bales in 1941-42 a large increase was reported in each of the following years.

Imports exceeded 1,000 bales during 1933 and 1934, but in recent years have been less than 500 bales annually. Domestic consumption of raw cotton has increased rapidly during the war years, and is expected to exceed 11,000 bales this year. There are 5 mills in El Salvador, and all are working at capacity. There are also about 7,100 hand looms, on which about one half of the country's output of woven goods is produced. Only 4 of the mills have spinning facilities, and during 1943 hand looms were not able to reach capacity output because of insufficient supplies of yarns.

RECORD PRODUCTION OF COTTON LINTERS IN SÃO PAULO

The 1943 production of cotton linters in São Paulo, Brazil, was equivalent to at least 266,400 bales of 478 pounds compared with 219,300 bales in 1942. Exports moved more slowly during the past year. In the first 9 months of 1943, a total of 96,700 bales left port, or slightly less than 71 percent of the 136,900 bales exported during the corresponding period of the preceding year. Most of these linters during both years were shipped to the United Kingdom and the United States.

Stocks on June 15 of this year were equal to about 51,000 bales of first-cut and 143,000 bales of second-cut linters, exclusive of amounts, unreported and probably small, which are held by independent buyers. Production is heaviest during the last half of the calendar year, and stocks are expected to increase unless the crop can be moved more rapidly either by increased exports, or by expanded activity in the consuming industries.

FRUITS, VEGETABLES, AND NUTS

IRAN RAISIN CROP SMALLER

Estimated production of raisins in Iran for the year ended March 20, 1945, is not expected to exceed 33,000 short tons, or about 15 percent less than the 1944 crop. The reduction is attributed to damage from hail and drought.

Consumption of raisins has increased and is now 80-90 percent of local production. This increase is due to the loss of export markets, especially Germany, and to the use of raisins in rural areas in place of sugar. The sugar scarcity is due primarily to reduced production and imports as well as increased requirements for local distilleries.

IRAN: Production of raisins, 1938-1945

YEAR ENDED: MARCH 30	PRODUCTION	YEAR ENDED: MARCH 30	PRODUCTION
	Short tons		*Short tons*
1938	36,000	1942	22,000
1939	38,000	1943	27,500
1940	38,000	1944	38,600
1941	33,000	1945	33,000

Compiled from official sources.

WINE PRODUCTION GOOD IN PORTUGAL

All indications point to a bumper crop of wine grapes in Portugal. Dry weather has

prevented mildew, and farmers have had to use only half the amount of copper sulphate normally needed. Exports for the first 4 months of 1944 were much heavier than in the corresponding period of 1933. The United States was the largest receiver.

WINE PROSPECTS IN MOROCCO GOOD

Production of wine in Morocco in 1944 probably will be somewhat larger than the 8,076,000 gallons produced in 1943. If the prospective output materializes, it will not be necessary to import wines from Algeria. In 1943 the imports totaled about 5 million gallons. Consumption in Morocco is around 10,600,000 gallons annually. The grape crop will be good, especially in the regions of Casablanca, Meknés, Fez, and Rharb, where vine growth is good and fruit clusters are excellent and well developed.

Morocco is converting large quantities of wine into "aperitifs" (appetizers) to replace those formerly imported from France. This industry will probably not survive after the war because of the poor quality of the product.

MOROCCO: Production of wine, 1938-1943

YEAR	PRODUCTION	YEAR	PRODUCTION
	1,000 gallons		*1,000 gallons*
1938	22,454	1941	12,786
1939	23,775	1942	13,499
1940	13,763	1943	8,076

Compiled from official sources.

CHILEAN PULSES INCREASED - POTATOES DECREASED

Chilean production estimates for 1943-44 indicate a bean crop that is 10 percent larger than that of 1942-43 from an acreage that is 3 percent smaller. The 1943-44 acreage is now estimated at 200,000 acres and the production at 1,712,000 bags of 100 pounds. The production of dry peas, similarly to beans, shows a materially larger production from a smaller area - 437,000 bags from 66,000 acres. The 1943-44 production of chickpeas shows the effect of a favorable growing season and a 7 percent increase in area - 96,000 bags from 19,000 acres. The production of lentils in Chile is estimated at 215,000 bags, compared with 185,000 in 1942-43. This increased output has largely resulted from an increased area sown and marks a reversal in the downward trend of planting and production that has taken place during the past several years.

In spite of a larger area planted to potatoes in Chile, the crop is now placed at 17,364,000 bushels, or about 1,444,000 bushels less than in 1942-43. The 1943-44 area is estimated at 145,000 acres, or 7 percent more than in the previous year.

ARGENTINE SEED POTATOES FOR URUGUAY

A decree, dated June 13, 1944, authorized the importation into Uruguay from Argentina of a maximum quantity of 33,000 bushels of seed potatoes of the White Rose variety for planting exclusively in the Department of Salto. These seed potatoes will be exempt from all duties and charges to which they are liable by law, with the exception of the specific duty established on potatoes.

PRINCE EDWARD ISLAND POTATO CROP PROSPECTS

The acreage planted to potatoes in Prince Edward Island, Canada, in 1944 is believed to be as large as the 40,500 acres planted in 1943. The acreage entered for certification as seed potatoes probably will be about 20 percent less than the 16,000 acres entered last year. Applications for certification have declined from 2,775 in 1943 to around 2,400 this year.

Farming operations began much earlier than usual this season, and potato plantings were completed early in June. Stands are good and growing conditions have been favorable. The only unfavorable factor in the situation is that a large portion of the acreage for certification had to be planted with low-quality seed potatoes. The supply of Foundation A seed potatoes was short, and

many fields were planted with seed potatoes recommended by certification officials, but not Foundation A.

SPANISH ALMOND CROP SMALLER

The almond crop now on the trees in the Valencia District of Spain, which will be harvested in August and September, is not expected to be as large as normal, as a result of damage by frost during the past winter. Most frost damage occurred in higher altitudes and at lower levels, particularly in the coastal areas. The crop is in excellent condition and well advanced. Most of the exportable surplus is held by growers and averages roughly 8,300 short tons.

SUGAR

CHILEAN IMPORT DUTY ON SUGAR REDUCED

In order to counteract the rising price trend of imported sugar, the President of Chile has made use of the authorization in the Tariff Law which empowers him to reduce duties on primary necessities by as much as 50 percent. In a decree dated May 26, published June 16, the duty on sugar was reduced from 1.62 to 0.93 cents (United States currency) per pound. As the basic duty on this item is 1.87 cents, the maximum reduction was granted. This decree became effective on the date of its official publication and was aimed at maintaining the price of sugar at a stable level. The wholesale price of white granulated sugar at Santiago is fixed at about 6 cents per pound. In 1943 Chile was able to purchase raw sugar in Peru at 2.80 cents (United States currency) per pound, but in recent months the price has risen to 3.20 cents.

INCREASED SUGAR PRODUCTION IN SÃO PAULO

The 1944 sugar crop in São Paulo, Brazil, has been estimated at 231,000 short tons. The basic production quota for the State is 137,000 short tons, plus an emergency increase of 20 percent applicable to the 1944 crop, or a total of 165,000 tons. Because of the advancing price of sugar, manufacturers will probably pay a penalty on the excess production and produce about 66,000 tons above the quota. The annual consumption of sugar in the State of São Paulo amounts to about 384,000 tons and for neighboring States that buy sugar in São Paulo, 20,000 tons. Thus the State will have an import requirement from other sources, primarily other areas in Brazil, of approximately 175,000 tons, beginning July 1, 1944.

LIVESTOCK AND ANIMAL PRODUCTS

CANADA NEGOTIATES BEEF CONTRACT WITH BRITAIN

The Canadian Minister of Agriculture announced in the House of Commons recently that a contract had been signed with the United Kingdom under which Canada agrees to ship to that market a minimum of 100 million pounds of beef - the equivalent of about 200,000 head of cattle - in the 2 calendar years 1944 and 1945. The amount already sent to the United Kingdom since late fall, some 53 million pounds, is being counted in the total.

The Minister stated that any further surpluses of Canadian beef above the minimum of 100 million pounds also will be taken by the British, and that total shipments by the end of the contract period may be three or four times the minimum. The shipments will be made without reducing domestic supplies to a level that would necessitate a resumption of meat rationing, according to the Minister.

HEAVY SLAUGHTER SLOWS RATE OF INCREASE OF DANISH HOGS

Danish hog numbers continue to increase, but at a slower rate than in 1943. Numbers on March 25, 1944, were estimated at 2,291,000 head, or 22 percent above a year earlier and 81 percent above March 1942 when they were at the lowest level of the war period. The number of bred sows on hand was about the same as in 1943 but considerably above 1942.

By May, hog numbers had declined to 2,019,000 head but were still 8 percent above a year earlier. The reduction in numbers since March is chiefly due to the increased German demands for live hogs and bacon this season.

DENMARK: March estimate of hog numbers, 1944 with comparisons

CLASSIFICATION	MARCH 1939	1942	1943	1944
	1,000 head	*1,000 head*	*1,000 head*	*1,000 head*
Boars	18	8	9	10
Sows, total	377	145	204	220
Bred	271	a/	131	132
Suckling pigs	652	229	435	489
Slaughter hogs				
Over 132 pounds	491	229	400	509
77 - 132 pounds	550	327	400	509
Under 77 pounds	636	329	426	554
Total	1,677	885	1,226	1,572
Total hogs	2,724	1,267	1,874	2,291

Official sources.

a/ Not available. The number reported as bred in February 1942, however, was only 87,000, against 239,000 in February 1939.

AUSTRALIAN CATTLE AND HOGS INCREASE SHEEP AND HORSES DECREASE

Recently released livestock estimates for Australia show that the numbers of all animals, except horses, on March 31, 1943, were well above pre-war. Cattle and hogs continued to increase throughout 1942, and the numbers on hand by March 1943 exceeded the estimates for the preceding year 3.2 percent and 5.8 percent, respectively.

Dairy cows and heifers, which accounted for all of the increase in cattle numbers, were up 45.5 percent. Heavy subsidization of the milk industry probably accounted for much of this large increase. Beef cattle decreased 11 percent during the same period and sheep numbers dropped 8 percent from the record level reached in 1942.

The decrease in beef cattle and in sheep resulted in part from the heavier slaughter of these animals to supply the increased wartime demands for meat. Rationing of meat was started in this great surplus meat-producing country in January 1944 in order to supply more adequately the demands of the United Nations' armed forces in the Pacific area.

AUSTRALIA: Number of livestock, March 1943 with comparisons

CLASS OF ANIMAL	JANUARY 1 1939	1942	MAR. 31, 1943	1943 AS PERCENTAGE OF 1942
	1,000 head	*Thousands*	*Thousands*	*Percent*
Cattle total	12,862	13,561	14,005	103.2
Beef	9,507	10,126	9,007	88.9
Dairy	3,354	3,435	4,998	145.5
Sheep	111,058	125,189	124,615	91.6
Hogs	1,156	1,477	1,563	105.8
Horses	1,724	1,611	1,518	94.2

Compiled from official sources.

NICARAGUA PLACES EMBARGO ON CATTLE EXPORTS

The Nicaraguan Government instructed its custom officials to place an embargo on live cattle exports beginning July 7. The purpose is to hold down prices so that the poorer classes may have more food available at lower cost. It may force cattlemen who have been holding their cattle off local markets in protest against existing retail ceiling prices for meat to market them in Managua instead of exporting them. Exports have been chiefly to Panama in the past 2 years. This embargo will not affect contracts with United States Government agencies, it is stated.

NEW MEAT CONTROL MEASURES IN OPERATION IN SOUTH AFRICA

New Control Regulations, based on the report of its Meat Commission, went into effect in the principal urban areas of the Union of South Africa on May 15. They require that all slaughter animals marketed in the nine controlled areas must be sold to the Food Control Organization. Payments will be made on a dressed-weight basis at fixed prices, varying in the different areas according to their proximity to producing centers. Grading of the animals is to be done by Department of Agriculture officials.

Wholesale and retail prices of meat are expected to be held at the same levels all through the year, but prices paid to cattle producers by the Food Control Organization will be advanced seasonally during the last half of the year (mid-winter and spring) to meet increased costs of feeding and will be reduced as the season of more plentiful supplies approaches.

Rural areas still remain outside the Control, which is the situation that existed before the Meat Commission made its investigation. The shortage that developed in urban areas resulted partly because higher prices could be obtained for slaughter stock in noncontrolled areas. Already the new Minister of Agriculture and Forestry has stated that before the plan went into effect, speculators were reported to be buying up large numbers of stock with the purpose of withholding them from market, and he made it clear, that if these animals were needed for food in urban areas the Government would take the necessary steps to obtain them.

CUBA CANCELS SCHEDULED SEASONAL REDUCTION IN CATTLE PRICES AND RAISES SUBSIDY

Habana has experienced a beef shortage for several months because of drought and the fact that cattle could be sold at higher prices outside the controlled urban area. Measures have recently been taken by the Cuban Office of Price Regulation and Supply to remedy this situation.

The price of live cattle, f.o.b. Camaguey is to remain at the March-May level of 4.93 United States cents per pound through July 31 instead of being reduced to 4.68 cents in June and still further to 4.29 in the July-December period, as planned.

The subsidy previously granted of 74 cents per 100 pounds, live weight, paid on cattle delivered to Habana, is now raised to 99 United States cents per 100 pounds and will be payable through July 31. The new decree also empowers the Office of Price Regulation and Supply to seize cattle, if necessary, to obtain a supply for Habana, and charges the military authorities with enforcement of slaughter quotas and ceiling prices for cattle.

HUNGARIAN POULTRY AFFECTED BY DISEASE; CONDITIONS IN NEARBY AREAS

Hungarian officials are studying ways of combatting the poultry disease that has killed off 40 percent of the country's poultry. A Hungarian press article criticizes the Government for lack of sufficient interest in this branch of agriculture and its failure to bring the disease under control.

In urging for more interest on the part of the Government, the article points out the importance of exports and also of total output of poultry to Hungarian agriculture. It states that the value of poultry exports exceeded that of wheat in both 1930 and 1940, and that the value of the total poultry output exceeded the value of wheat production.

Recent information from Czechoslovakia indicates that the effects of the poultry pest there are also very noticeable. To date no reports have been received to indicate that the disease has affected the poultry of Bulgaria, which normally exports considerable quantities of shell eggs and dressed poultry.

IMPROVEMENT IN SWEDISH BUTTER SITUATION

Butter production in Sweden has been increasing steadily since April 1943 following the low level of production in 1942. By the end of the first quarter of 1944 it had increased to pre-war levels, and January-April production this year totalled 53,850,000 pounds, compared with 44,674,000 pounds for the same period a year earlier and 53,109,000 pounds in the first 4 months of 1939.

The higher output of butter has led to an improvement in the edible-fat situation. As a result, the baking of pastries containing edible fats has been resumed, following the Royal Decree, effective June 7, 1944, cancelling the decree of October 10, 1941, which prohibited the baking of such pastries. Also cream with a fat content not exceeding 15 percent, a rationed item since November 3, 1940, was placed on the free list as of February 1, 1944.

ARGENTINE WOOL MARKET LARGELY DEPENDENT ON UNITED STATES BUYERS

Exports of wool from Argentina during the current season have been larger than the unusually small exports of last season, but are much below the average pre-war exports. Shipments to the United States totaled 139 million pounds for the 8 months of the season (October-May) or 88 percent of total exports. Since the war began, the United States has been the chief buyer of Argentine wool.

United States buyers were showing less interest in Argentine wool in the last half of June and early July, primarily because delivery could not be promised earlier than October or November. Interest was chiefly in medium and fine crossbreds, 56's to 50's, and prices for these grades continued firm. Buying by some European countries for storage in Argentina, and local speculative buying were strengthening factors in the market.

Prices of coarse crossbreds strengthened slightly toward the end of June because of the possibility that United States carpet manufacturers might secure import permits for carpet wools. Slow sales of these wools have induced many growers of coarse wools to take advantage of the loan facilities offered by the Argentine Government last September when the carry-over of coarse wools reached record proportions. The loan values are 13.5 cents a pound on full-grown coarse crossbred wool and 12.8 to 12.2 cents for November and March second clips. The average price of full-grown wool in Buenos Aires in May was 9 cents a pound, grease basis, which was more than 40 percent below average May prices for the years 1936-1940.

ARGENTINA: Exports of wool, October-May 1943-44, with comparisons

OCTOBER-MAY	TO UNITED STATES	TOTAL
	1,000 pounds	*1,000 pounds*
1938-39	52,271	278,714
1940-41	272,522	322,473
1942-43	95,129	108,420
1943-44	139,432	158,427

Compiled from reports from Buenos Aires.

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